

Myrtle Beach
2013 Economic Impact Study
–March 2014–

Objectives:

- **Determine the conversion rate for those exposed to Myrtle Beach marketing efforts**
 - How effective have our marketing efforts been in turning potential visitors into actual visitors, and how does the online channel contribute?
- **Determine the revenue our conversion efforts generated**
 - Who spent what and where - what was the average spend per vacationing group, where did they spend it, and how much overall revenue was generated?
- **Revisit our Net Promoter Score**
 - Does the Myrtle Beach experience continue to generate word-of-mouth recommendations?
- **Assess the use and usefulness of the Internet in general and VisitMyrtleBeach.com in particular**
- **Examine party composition, visitor types, trip duration and activity participation**

Who we talked to:

- The Myrtle Beach Area Chamber of Commerce provided us with a random list of VisitMyrtleBeach.com visitors and E-newsletter recipients. Additional sample was sourced from Equation's Myrtle Beach Panel.

	n-size
Email - Website Guide Order	1,306
E-newsletter	535
Website survey	583
Panelists	114
Total completes:	2,538
Margin of Error	±1.9%

- Respondents were surveyed between February 5–18, 2014.



- Of those that consider/inquire, half convert with a high return per marketing dollar
- We're seeing more first time visitors, and a return of lapsed visitors
- Visitors are spending more than in previous years
- Those who visit are extremely satisfied (our Net Promoter is extremely high)
- Travelers continue to use the Internet as a primary source in their consideration of Myrtle Beach as a destination

Key Finding

Marketing communications continue to generate and convert a significant volume of visitors, while the proportion of new converts is increasing

The conversion rate is an estimated **50%** among website visitors, resulting in an estimated 2,822,402 travel parties in 2013.

Among visitors, 45% are Repeat Converts, and 13% are Lapsed Converts (last visited 4+ years ago). Most notably, **42% were New Converts**—visiting the Myrtle Beach area for the first time ever in 2013 (up 4% over the previous year).

Key Finding

Returns on our marketing spend remain high and continue to increase

On average, guests spent \$2,800 per group over the length of their Myrtle Beach stay – that’s an estimated **\$343 dollars of revenue per marketing dollar** spent from *converted site visitors alone*.

Key Finding

Among Converts, our Net Promoter Score of 84% demonstrates considerable word-of-mouth equity for the Myrtle Beach area

The vast majority of Myrtle Beach visitors highly recommend us, which likely accounts for the increase in New Converts.

Key Finding

The Internet remains the most utilized information source for trip planning, with 86% using it in vacation planning

Among those who use the Internet in planning, VisitMyrtleBeach.com is a vital resource: it is used by 81%

52% of Converts begin planning their visit 1 to 4 months in advance, and 37% begin planning 4+ months in advance. Advance trip planning coincides with VisitMyrtleBeach.com usage.

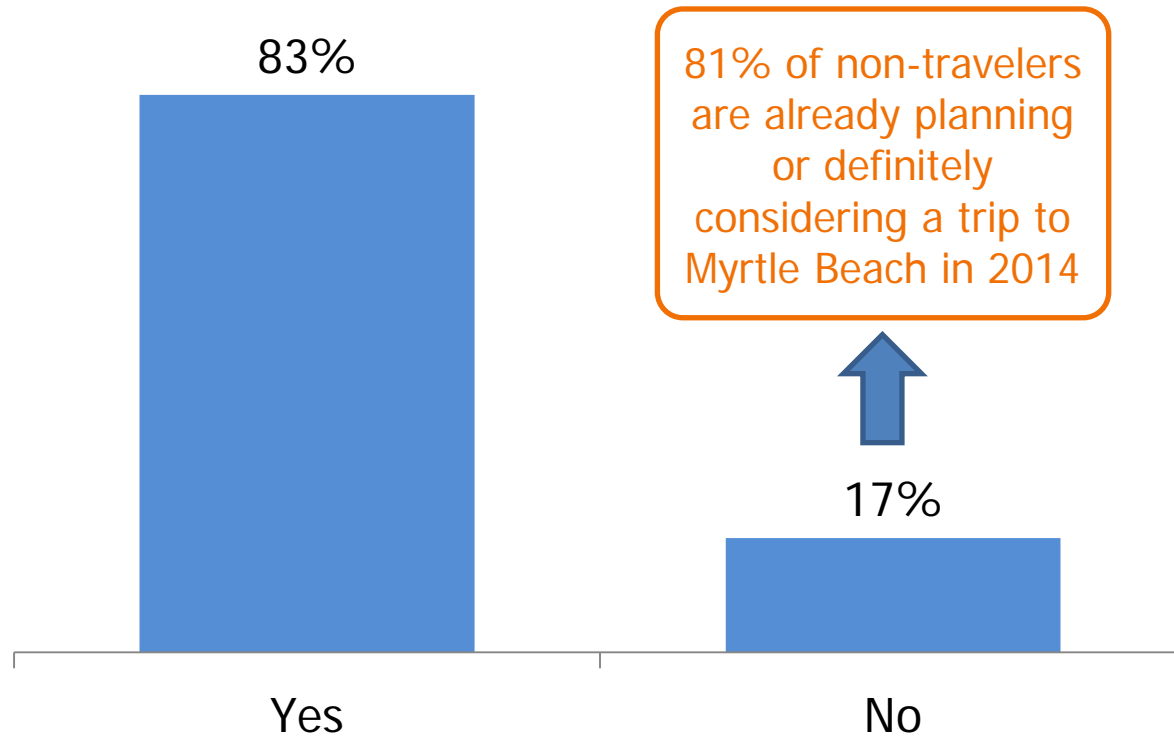


Myrtle Beach Visitation

2013 Leisure Travelers

83% of Inquirers took a leisure trip in 2013. Among those who did not, 81% are planning a trip to Myrtle Beach in 2014.

Took a Vacation in 2013

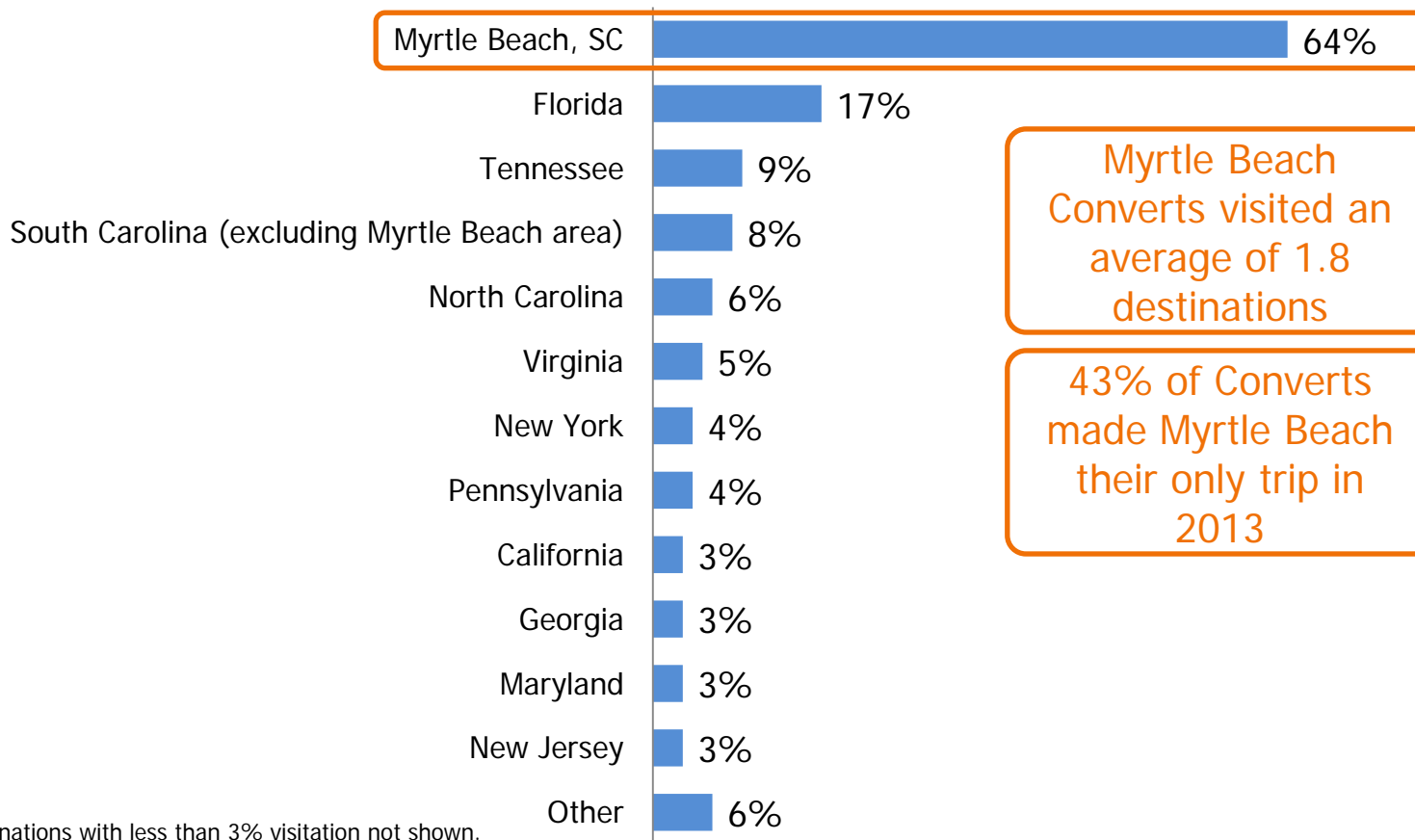


Base: Total Inquirers (n=2538)

Vacation Destinations

Among inquirers/site visitors, 64% of those who took a vacation in 2013 went to Myrtle Beach.

Destinations Visited in 2013



Myrtle Beach
 Converts visited an
 average of 1.8
 destinations

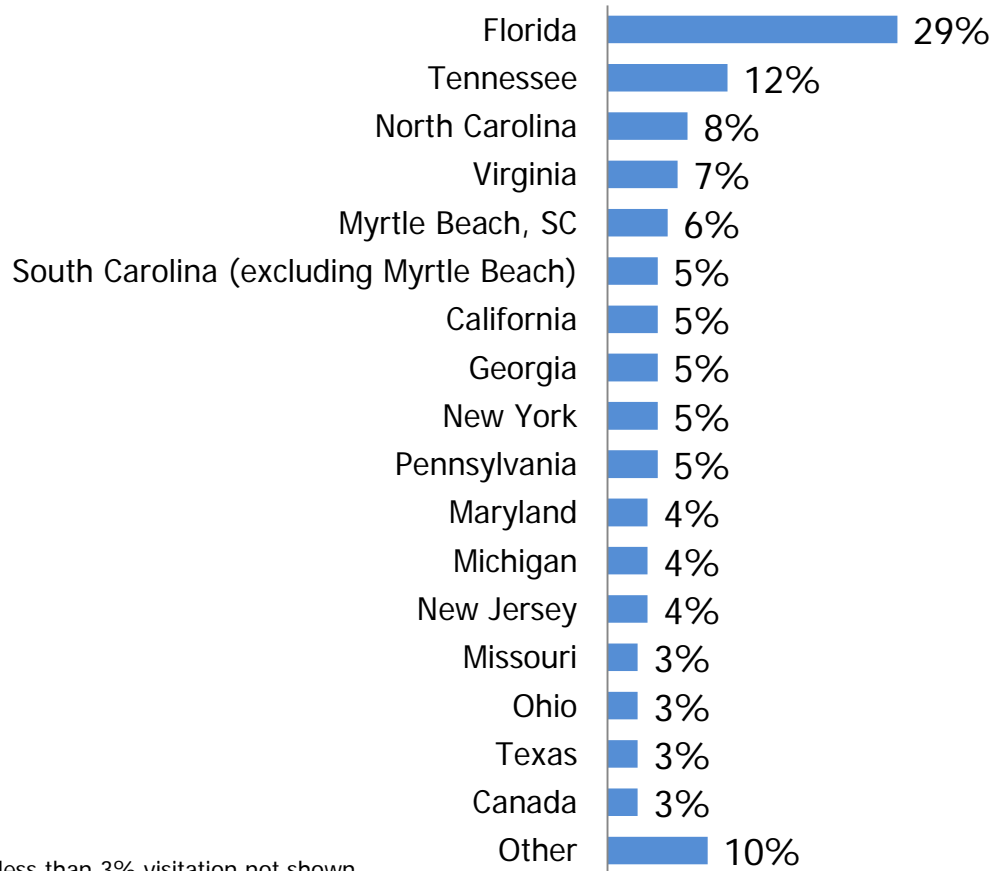
43% of Converts
 made Myrtle Beach
 their only trip in
 2013

Note: Destinations with less than 3% visitation not shown.

Base: Took a vacation in 2013 (n=2127)

Florida remains the most popular destination for people we didn't convert after an inquiry.

Destinations Visited by Non-Converts



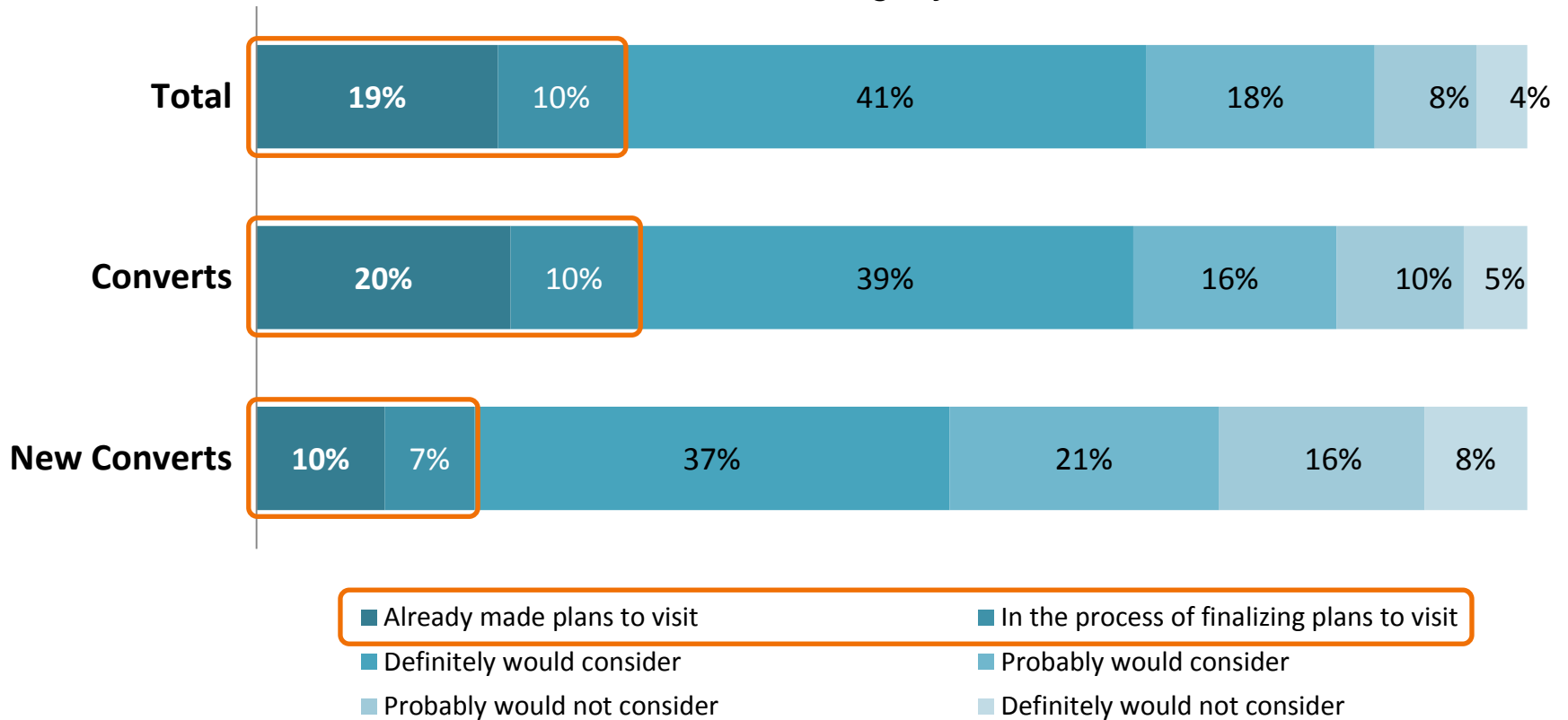
Note: Destinations with less than 3% visitation not shown.

Base: Non-Converts; did not visit Myrtle Beach in 2013 (n=680)

Likelihood of 2014 Myrtle Beach Visit

17% of first-time Myrtle Beach visitors (New Converts) are already making 2014 plans, and 37% would 'definitely consider' returning.

Likelihood of Visiting Myrtle Beach in 2014



Base: Inquirers who took a vacation in 2013 (n=2127)

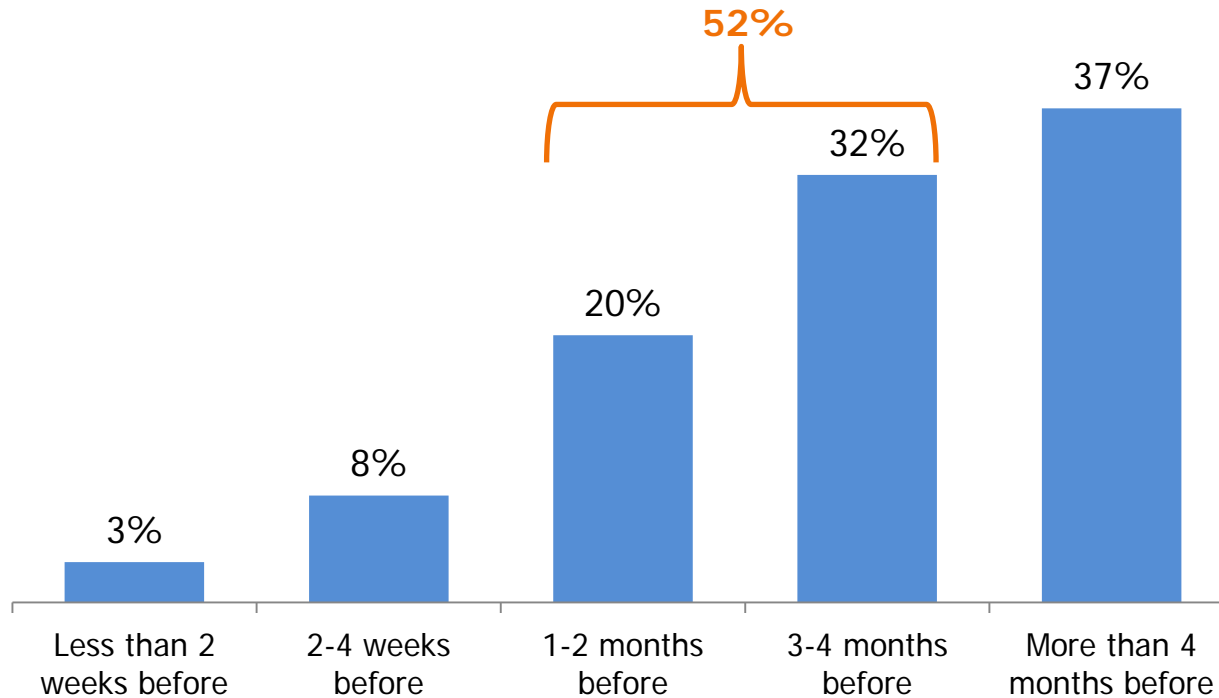


Vacation Planning & Information Sources

Vacation Planning

52% of Converts began planning their visit 1 to 4 months in advance, and 37% began planning more than 4 months in advance.

How far in advance did you plan for your trip?



Base: Converts; visited Myrtle Beach in 2013 (n=1447)

The Internet is the most utilized information source for trip planning by far (86%). VisitMyrtleBeach.com is a terrific resource for visitors, as it is used by 81% of people who are using the Internet to plan their Myrtle Beach vacation.

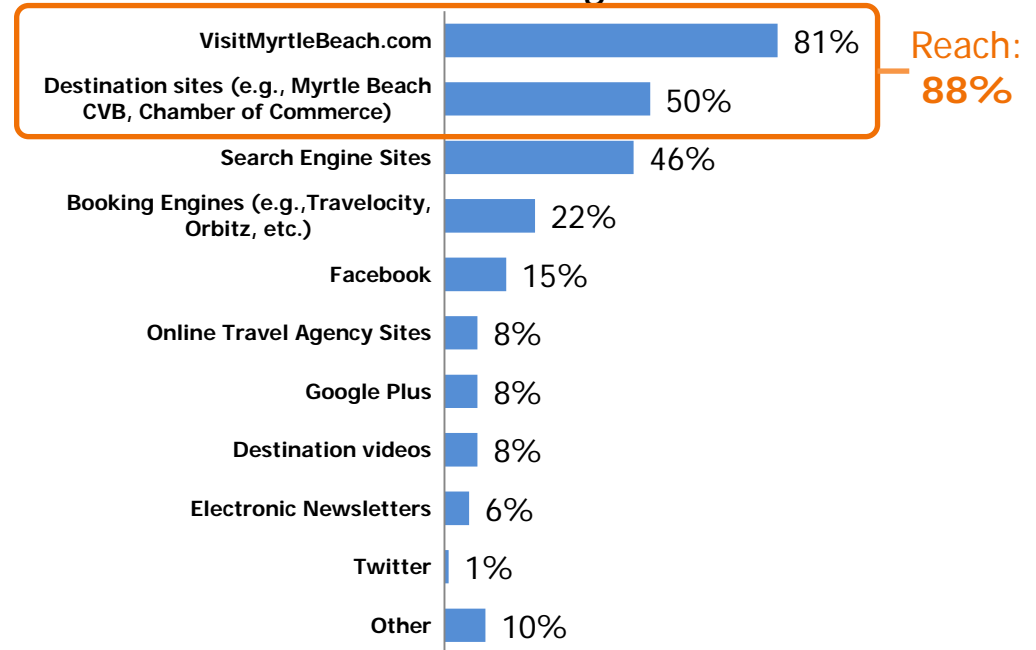
*Used the Internet
in Planning*

86%



*Base: Converts; visited Myrtle Beach in 2013
(n=1447)*

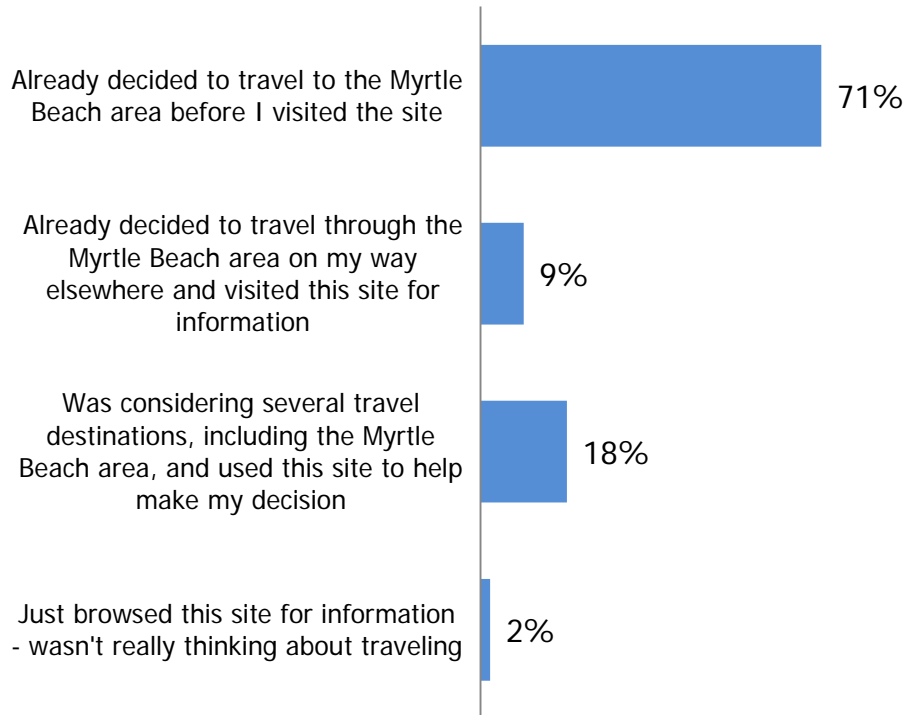
*Online Sources
Used in Planning*



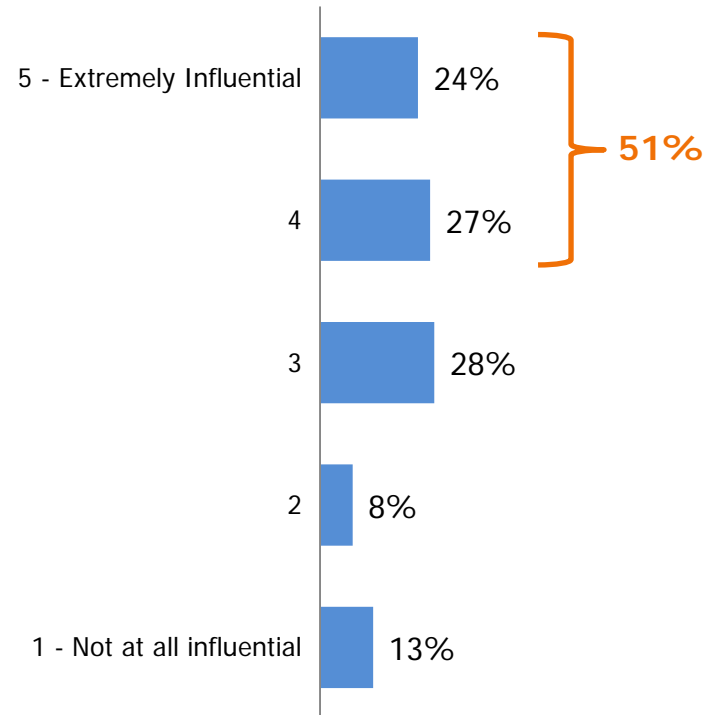
*Base: Converts who used the Internet for planning
(n=806)*

Although the majority of visitors say they already decided to visit the area before going to VisitMyrtleBeach.com, 51% say the site influenced their decision – reinforcing an already strong desire to vacation here.

*Role of VisitMyrtleBeach.com
in MB Visitation*



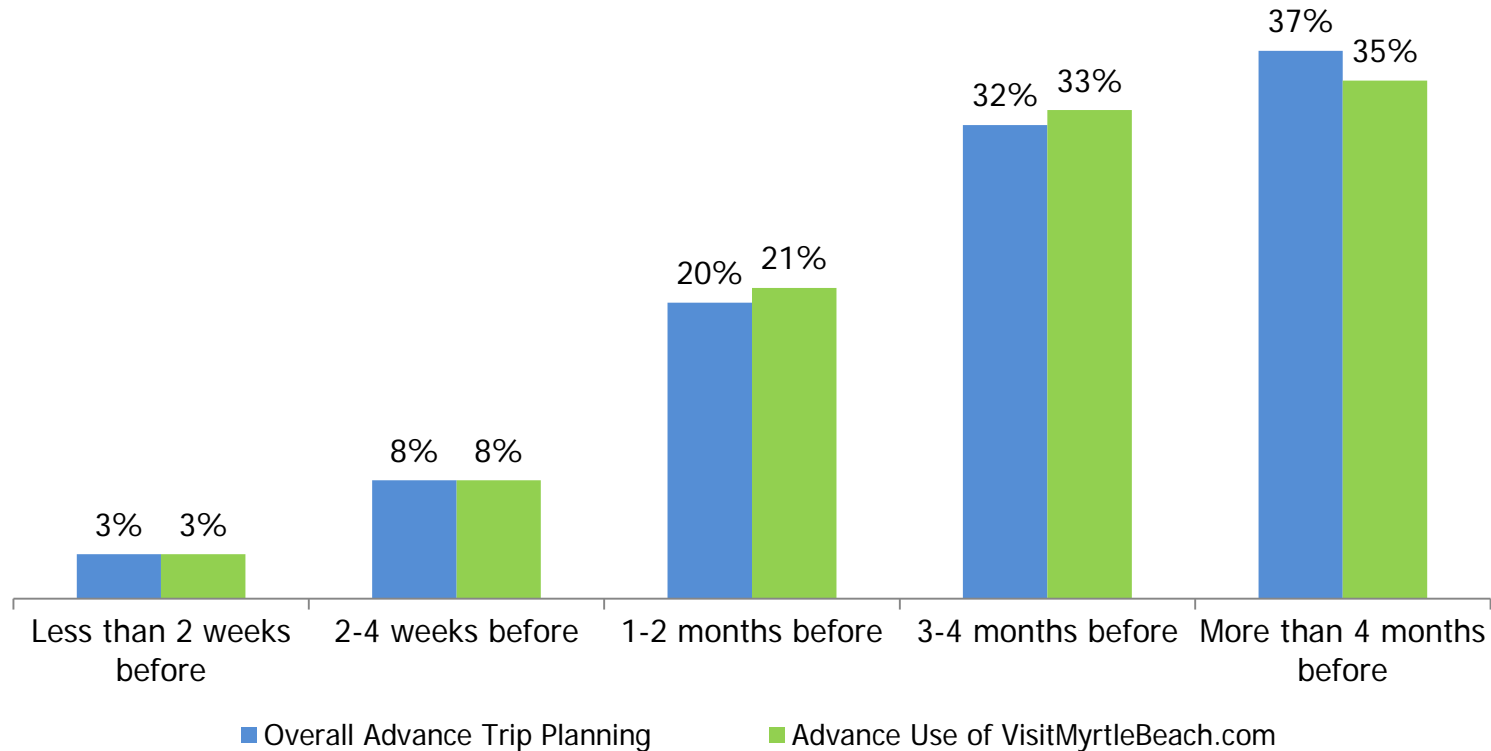
*Influence of VisitMyrtleBeach.com
in MB Visitation*



Base: Used VisitMyrtleBeach.com in planning (n=655)

Initial VisitMyrtleBeach.com visitation mirrors overall advance trip planning, indicating the site is a first step in the planning process.

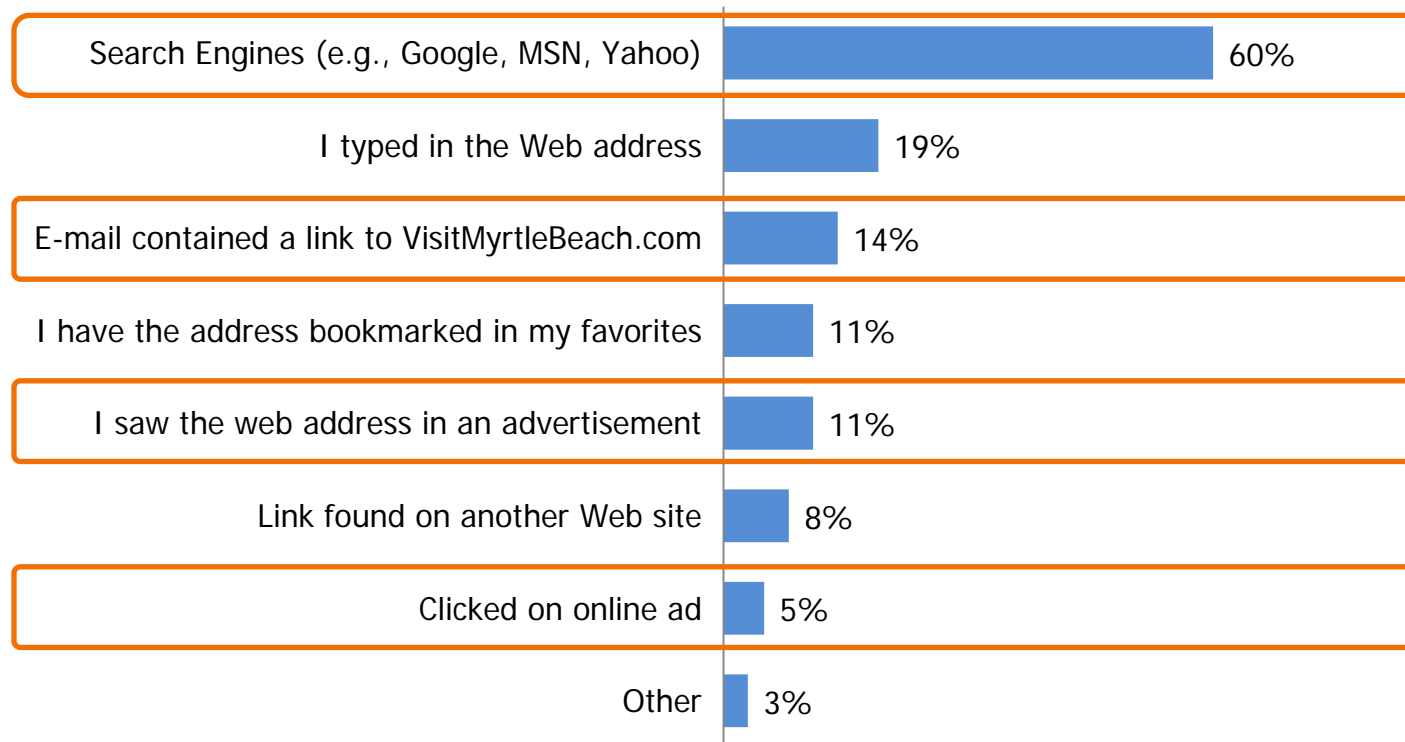
Advance Visitation of VisitMyrtleBeach.com



Base: Used VisitMyrtleBeach.com in planning (n=655)

Search engines remain the primary source of discovery of VisitMyrtleBeach.com (60%). Beyond search engine optimization, other online efforts (ads, e-mail campaigns) are also successful at driving site visitation.

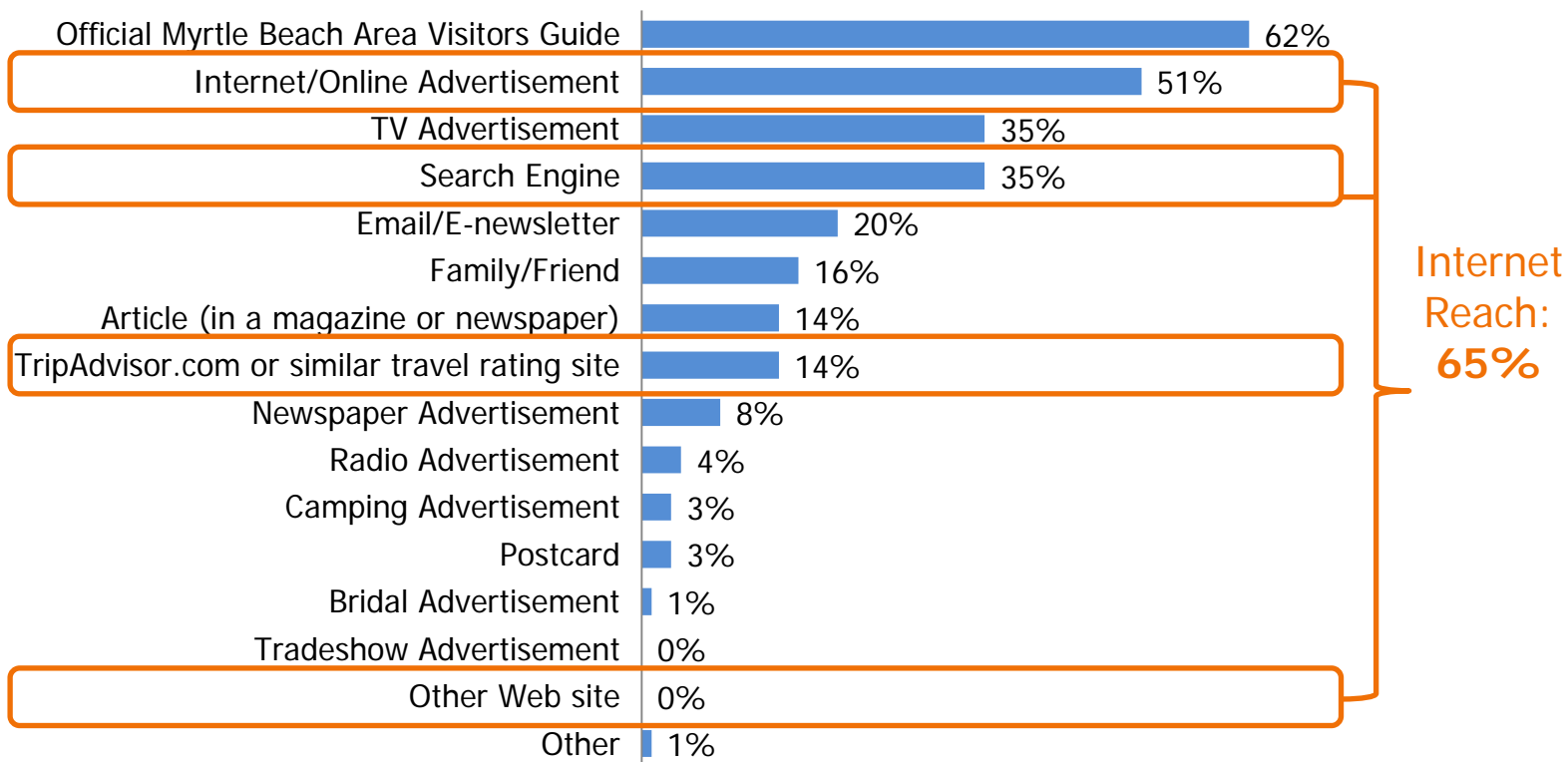
Means of Finding VisitMyrtleBeach.com



Base: Used VisitMyrtleBeach.com in planning (n=655)

Among those citing advertising as the source of their awareness of VisitMyrtleBeach.com, 65% learn about it through the Internet, followed by the Visitors Guide (62%).

Ad Source of VisitMyrtleBeach.com



Base: Learned about VisitMyrtleBeach.com through an advertisement (n=74)

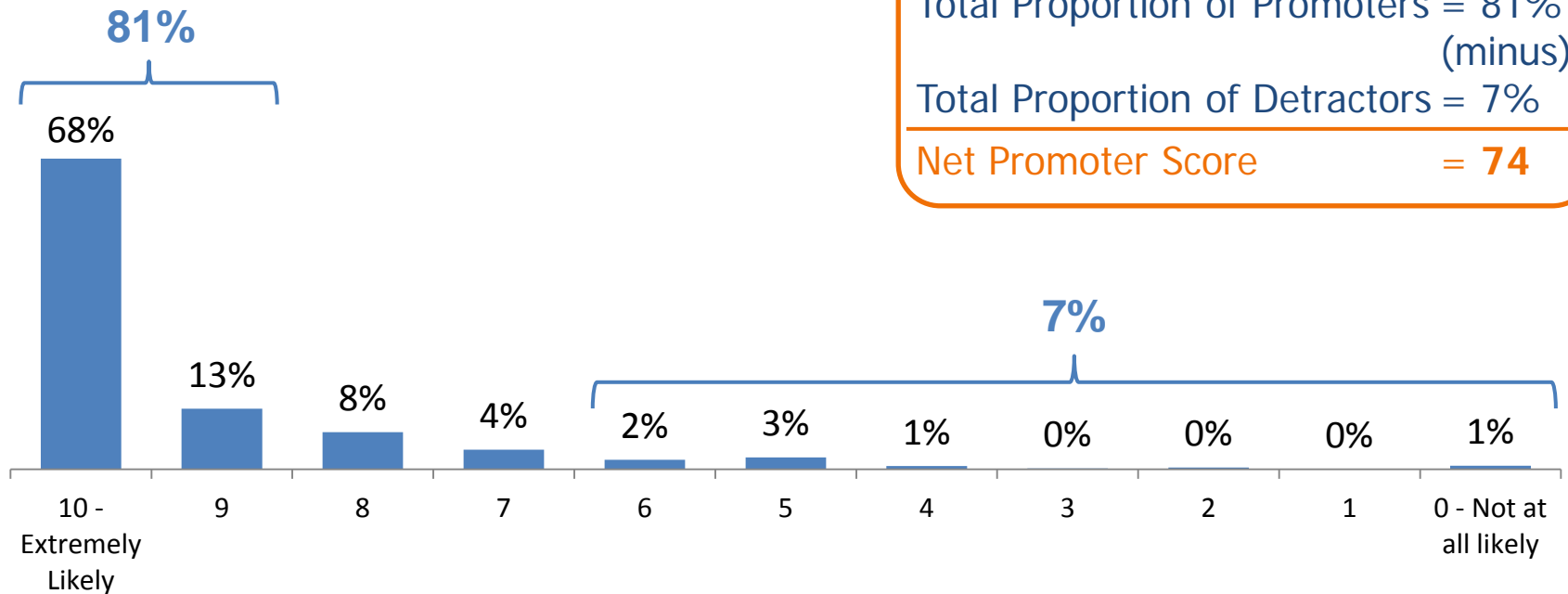


Net Promoter Score & Interest in Visiting

Net Promoter Score Index Explained

How likely is it that you would recommend Myrtle Beach as a vacation place to your family/friends?

- The Net Promoter Score (NPS) is a brand in and of itself and correlates extremely highly with satisfaction but is a more sensitive measure to high and low scores.
- 'Recommendations' are what every brand should aim for – we need to set that bar.



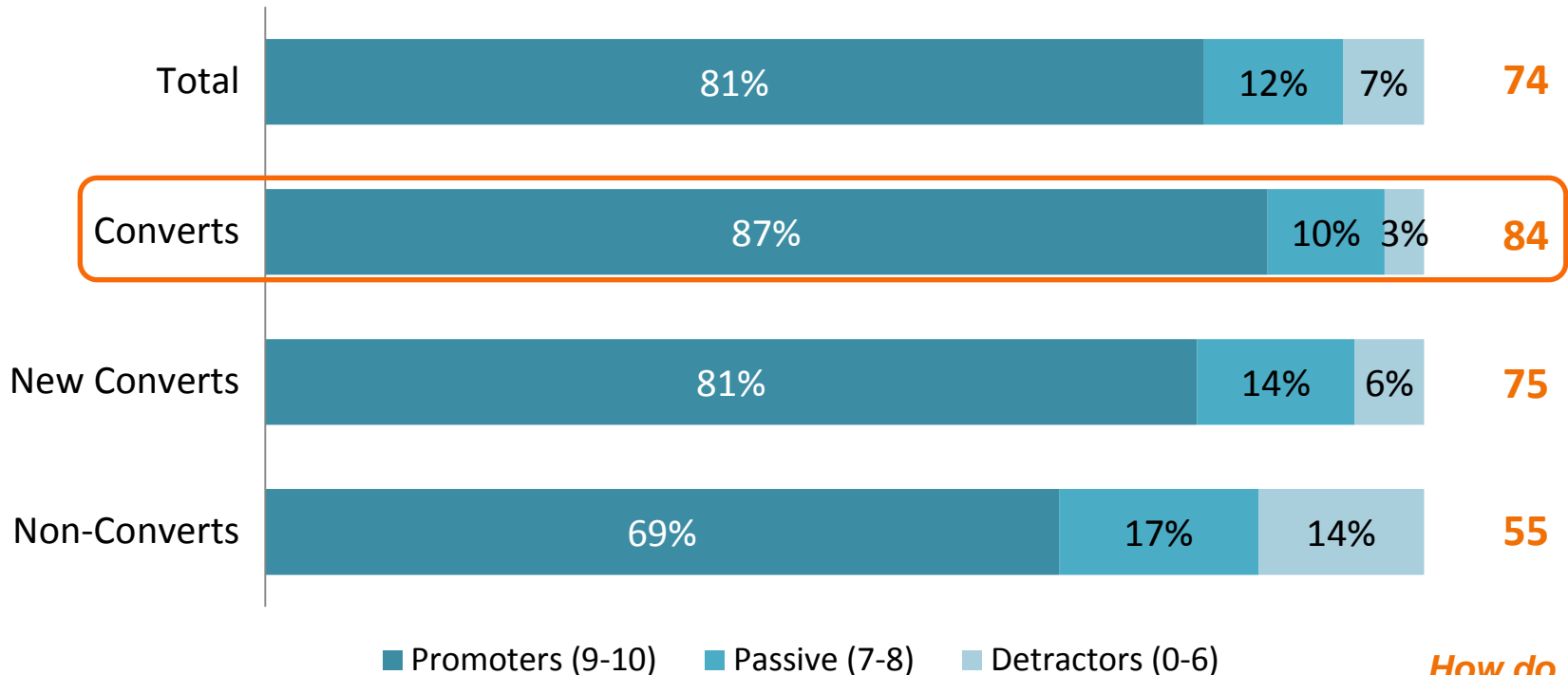
Base: Took a vacation in 2013 (n=2127)

Net Promoter Score Index

We have a fantastic Net Promoter Score – 84% among Converts. This represents considerable word-of-mouth equity for the Myrtle Beach area.

Net Promoter Score Index

Likelihood to Recommend Myrtle Beach

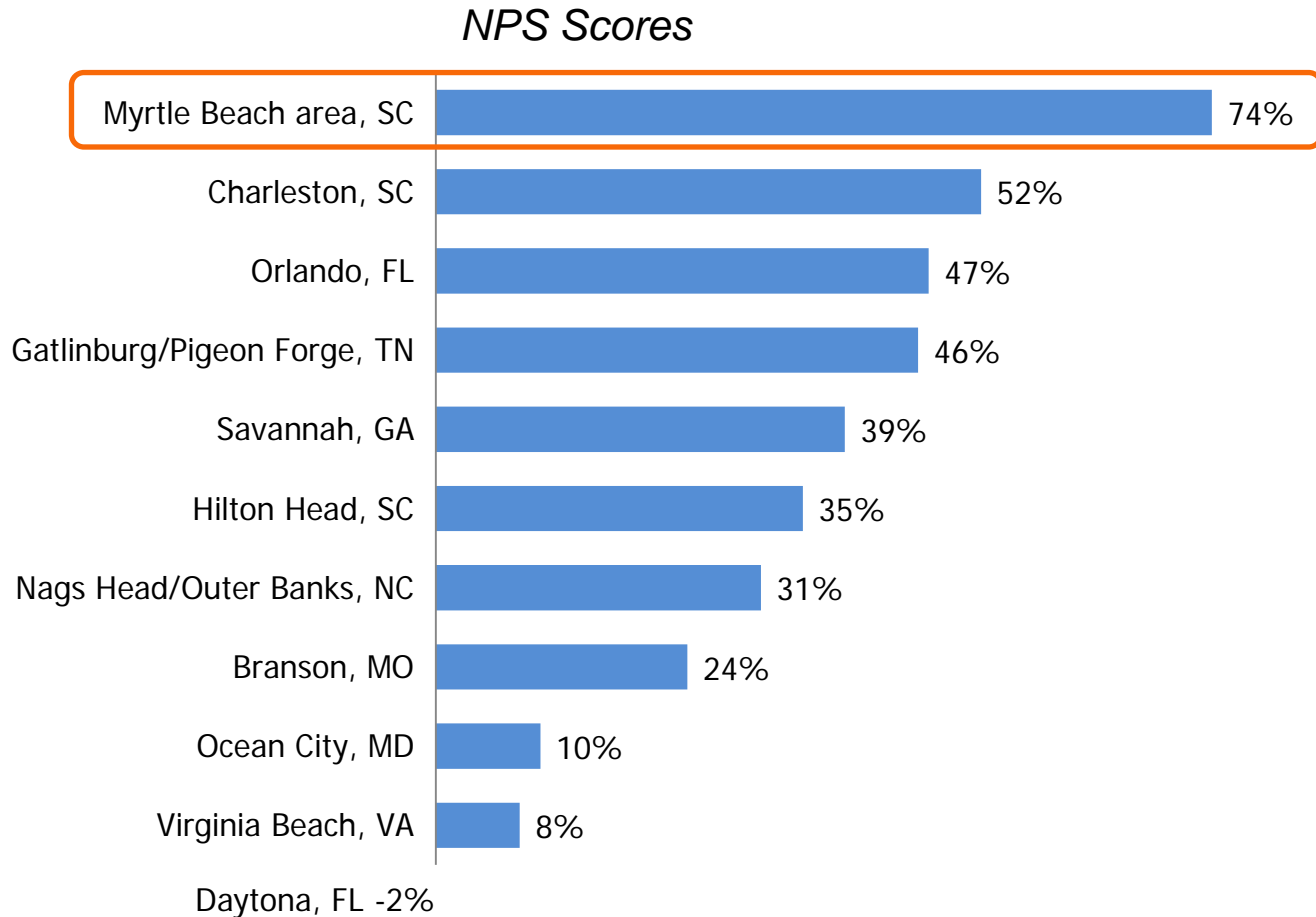


How do we leverage NPS?

Base: Took a vacation in 2013 (n=2127)

Net Promoter Score Index vs. Others

Among visitors of these respective vacation destinations, the Myrtle Beach area's Net Promoter Score is the highest (74%).

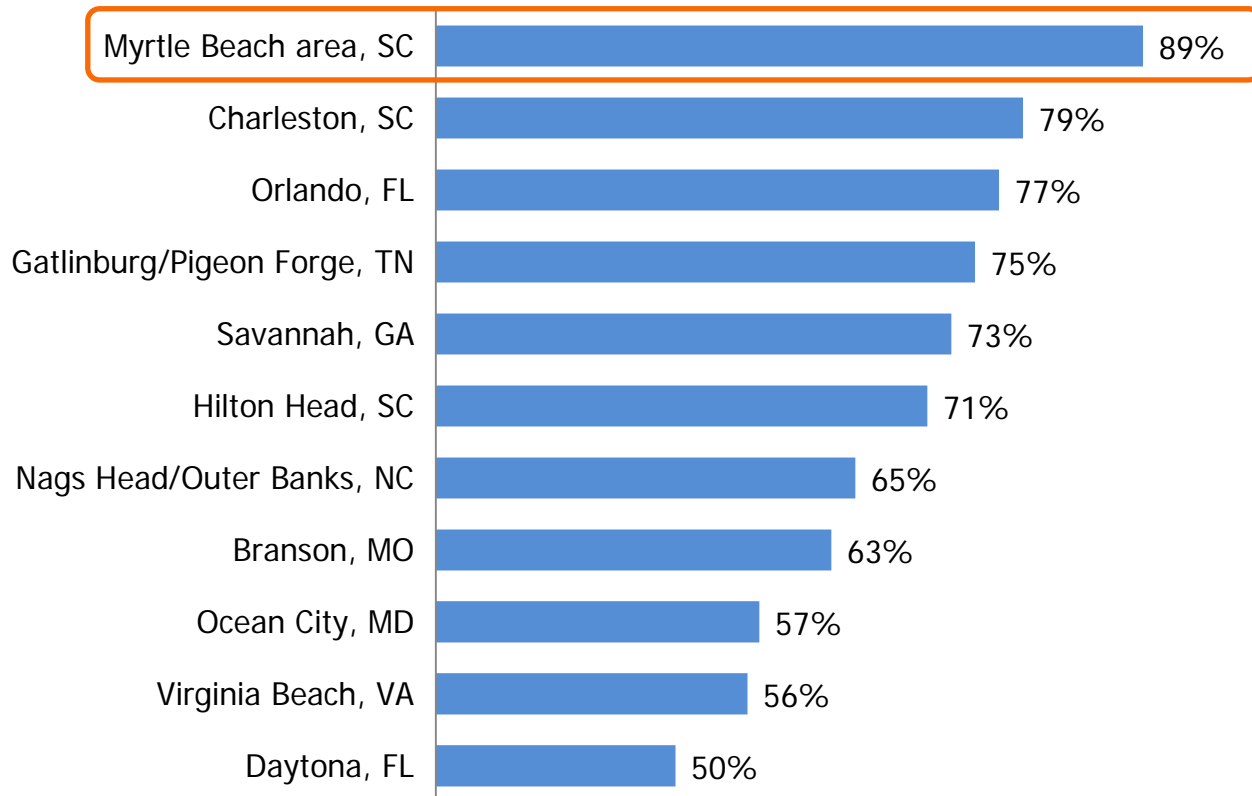


Base: Varies, based on those who have ever visited respective destinations.

Likelihood to Recommend

Myrtle Beach ranks first in likelihood to recommend among competitive destinations (89%).

Likelihood to Recommend (Top-3-Box)



Base: Varies, based on those who have visited respective destinations.



Myrtle Beach Website Traffic, Inquiries & Conversion Rates

Website Conversion Calculation

The conversion figures are calculated using industry standard factors established to reconcile stated intention and actual behavior. These factors are then applied to the intent-to-visit responses, providing more realistic and conservative results:

	Stated Intent*		Factor	=	Resulting Intent
I will travel to the Myrtle Beach area soon and have made my reservation	53%	×	80%	=	42%
I am planning to travel to the Myrtle Beach area soon but have not made my reservation	29%	×	20%	=	6%
I may be traveling soon and am considering Myrtle Beach as a possible destination	16%	×	5%	=	2%
I do not have plans to travel to Myrtle Beach anytime soon	2%				

50%
Conversion Rate

* Source: VisitMyrtleBeach.com website survey.

Website Conversion Rate & Return

The website conversion rate of 50% is based those who have already made reservations, planned, or are considering, a trip to Myrtle Beach.

2013 Visitor Conversion & Marketing Return*

Website Visits	9,370,523	
Adjusted Website Visits ¹	5,622,314	
Conversion Rate ²	50%	Travel parties increased by 6%
Converts	2,822,402	
Spend Per Trip	\$2,800	
Visitor Expenditures ³	\$7,902,724,277	Visitor expenditures increased by 7%
Total Marketing/Media Expenditure	\$23,018,882	
Revenue Per Marketing Dollar Spent	\$343	

1. Adjusted Website Visits: Weighted down to 60% to adjust for repeat web site traffic, such as those viewing from multiple devices and/or locations over time.
2. Percentage of web site visitors who stated they have already made arrangements or are planning to visit Myrtle Beach. Factored for accuracy to 42% of "made reservations", 6% of "planning to visit Myrtle Beach", and 2% of "considering Myrtle Beach".
3. Visitor Expenditures: Projection of average trip expenditure of what visitors spent during their stay on lodging, dining, shopping, entertainment, and transportation and the conversion rate of visitors to annual web site traffic.

* Figures based on VisitMyrtleBeach.com site traffic metrics and 2013 website survey results.

Myrtle Beach Visitor Spending Patterns

The average party spent \$2,800 in total – accommodations were the largest single chunk at \$678 for the total stay (\$130/night on average).

Trip Expenditures

	Average Expenditure per Party
Accommodations	\$678
Restaurants/ Groceries	\$579
Golf	\$64
Entertainment/ Attractions	\$435
Shopping	\$500
Daily transportation (excluding rental car)	\$139
Rental car	\$88
Miscellaneous	\$317
Total Expenditure:	\$2,800

Median Party Size:
4 people

Avg. Length of Stay:
6 nights

Base: Converts; visited Myrtle Beach in 2013 (n=1447)

Website Conversion Rate & Return by Visitor Type

Marketing impact can be categorized into different degrees by looking at visitor type. Repeat Converts are loyal to Myrtle Beach and thus marketing efforts largely serve to maintain and reinforce that loyalty. In the absence of destination loyalty, Lapsed and New Converts are more directly impacted by marketing. Distinguishing between these groups provides some insight to the amount of visitation we *influence* and the amount we actually *create*. It should also be noted that there was a surge in *new* visitors over 2012.

2013 Marketing Return by Visitor Type*

	Repeat Converts (visited 1-3 years ago)	Lapsed Converts (visited 4+ years ago)	New Converts (never visited before)
Proportion of Converts	45%	13%	42%
Travel Parties	1,270,081	366,912	1,185,409
Visitor Expenditures	\$3,556,225,925	\$1,027,354,156	\$3,319,144,196
Revenue Per Marketing Dollar Spent	\$150	\$43	\$140

* Figures based on VisitMyrtleBeach.com site traffic metrics and 2013 website survey results.

Three key indicators provide demonstrate very strong performance...



50%

Conversion rate among site visitors, with 42% being completely New Converts.

\$343

Revenue generated per dollar spent. \$2,800 spent per party over the length of their stay.

84

Myrtle Beach Net Promoter Score which is exceptionally high – worth leveraging.



Respondent Profile

Respondent Profile

	Total	Converts	New Converts
Age			
18 to 24	1%	2%	2%
25 to 34	9%	9%	10%
35 to 44	21%	22%	22%
45 to 54	28%	27%	28%
55 to 64	25%	25%	24%
65+	15%	15%	15%
Mean (years)	50.8	50.7	50.4
Gender			
Male	34%	34%	31%
Female	66%	66%	69%

Respondent Profile

	Total	Converts	New Converts
Marital Status			
Married/Partnered	79%	81%	82%
Single	10%	9%	10%
Separated/Divorced/Widowed	11%	10%	9%
Annual Household Income			
Less than \$45,000	26%	24%	21%
\$45,000 - \$74,999	34%	34%	33%
\$75,000 - \$99,999	18%	19%	21%
\$100,000 or more	21%	22%	25%
Mean (\$000s)	\$68.6K	\$68.2K	\$68.9K
Ethnicity			
White	90%	93%	92%
Black	8%	5%	6%
Other	2%	2%	2%

Respondent Profile

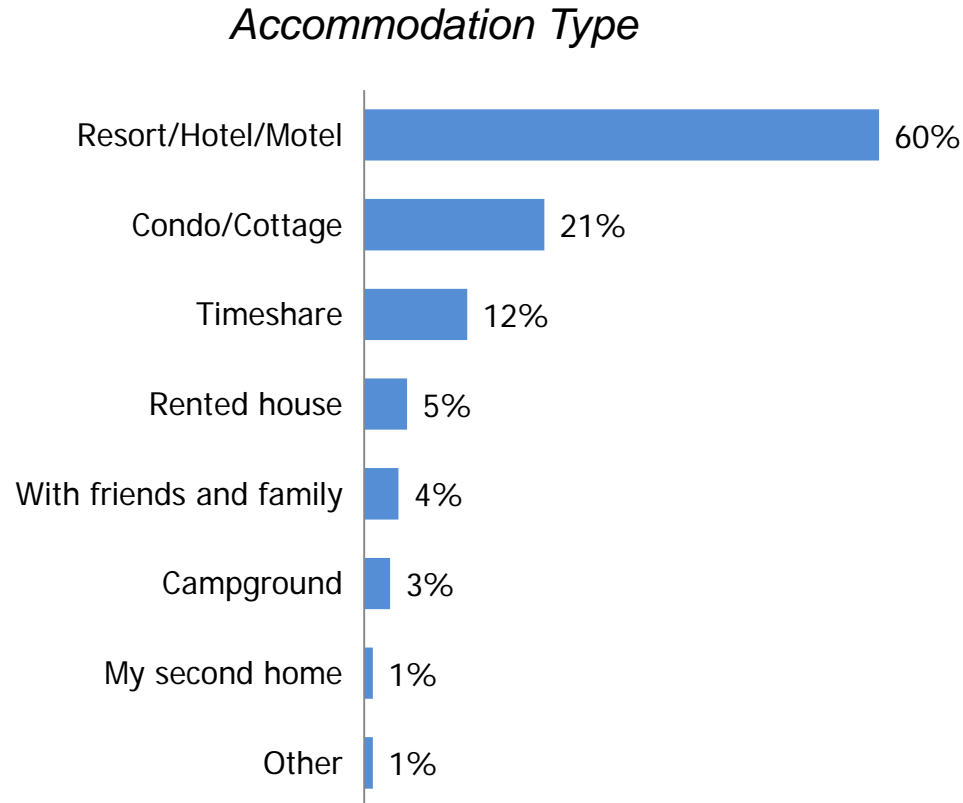
	Total	Converts	New Converts
Employment Status			
Employed full time	58%	60%	62%
Employed part time	9%	9%	10%
Not employed, in between jobs	2%	2%	1%
Military	0%	0%	0%
Homemaker	6%	6%	5%
Retired	22%	20%	19%
Student	1%	1%	1%
Other	3%	2%	2%
Occupation (if employed)			
Executive/Owner	3%	3%	4%
Manager/Technical	18%	17%	19%
Sales/Purchasing	8%	9%	9%
Other professional	36%	35%	37%
Craft/Factory	4%	5%	5%
Education	10%	10%	11%
Self-Employed	4%	4%	3%
Homemaker	0%	0%	0%
Retired	0%	1%	0%
Other	16%	16%	12%
Education			
HS graduate or less	21%	21%	21%
Some college/technical/trade school	31%	30%	28%
Associate's degree	12%	12%	10%
Bachelor's degree	22%	22%	24%
Post-graduate study/degree	13%	13%	16%
Other	1%	1%	1%



Appendix I: Accommodations Patterns

Accommodations Patterns

Most Converts stay in paid accommodations, with resort/hotel/motel accommodations being the most common (60%) and condo/cottage a distant second (21%).

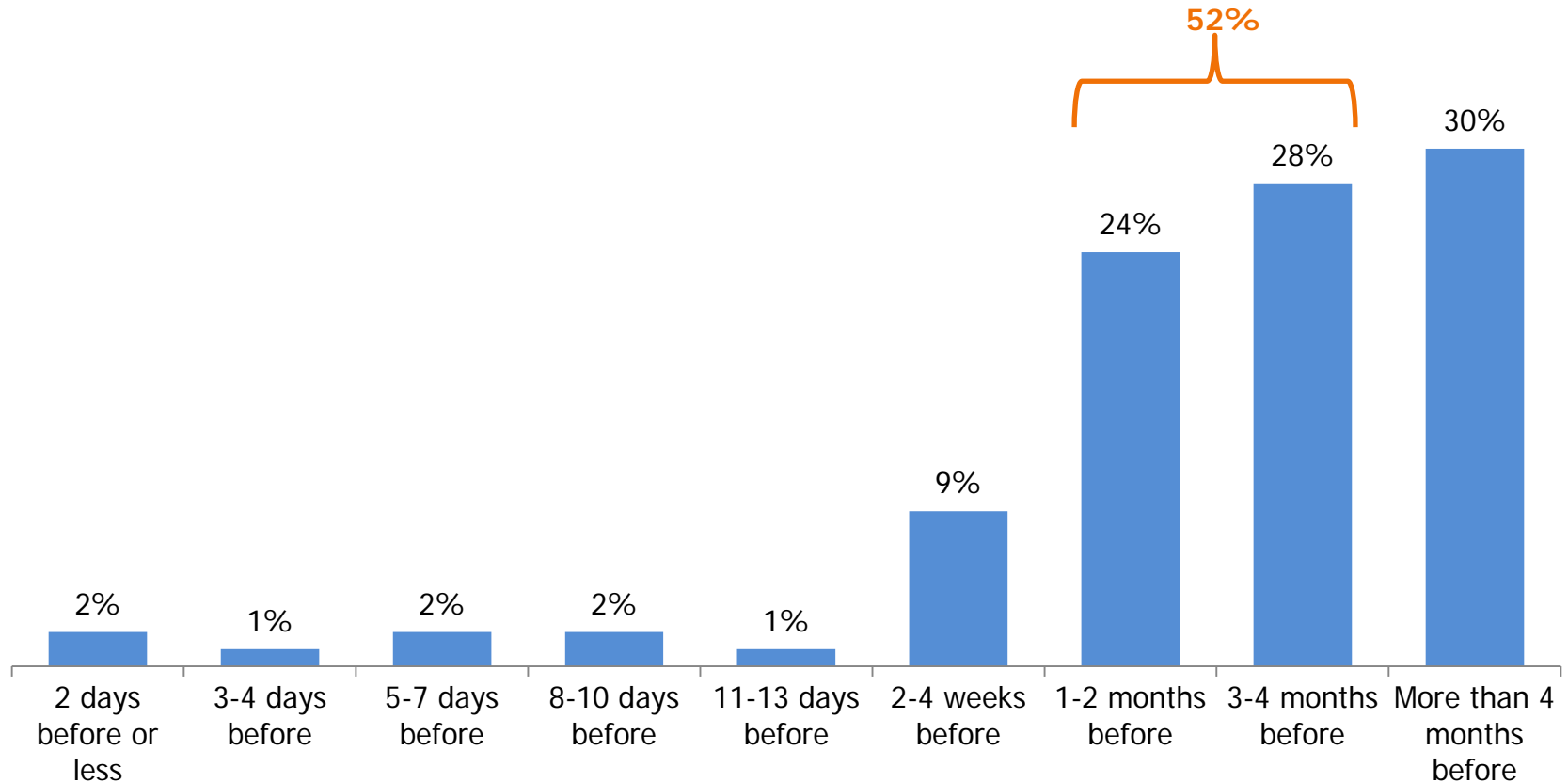


Base: Converts; visited Myrtle Beach in 2013 (n=1447)

Accommodations Patterns

52% of Converts make lodging reservations 1 to 4 months prior to arrival, and nearly 30% of Converts reserve 4+ months in advance.

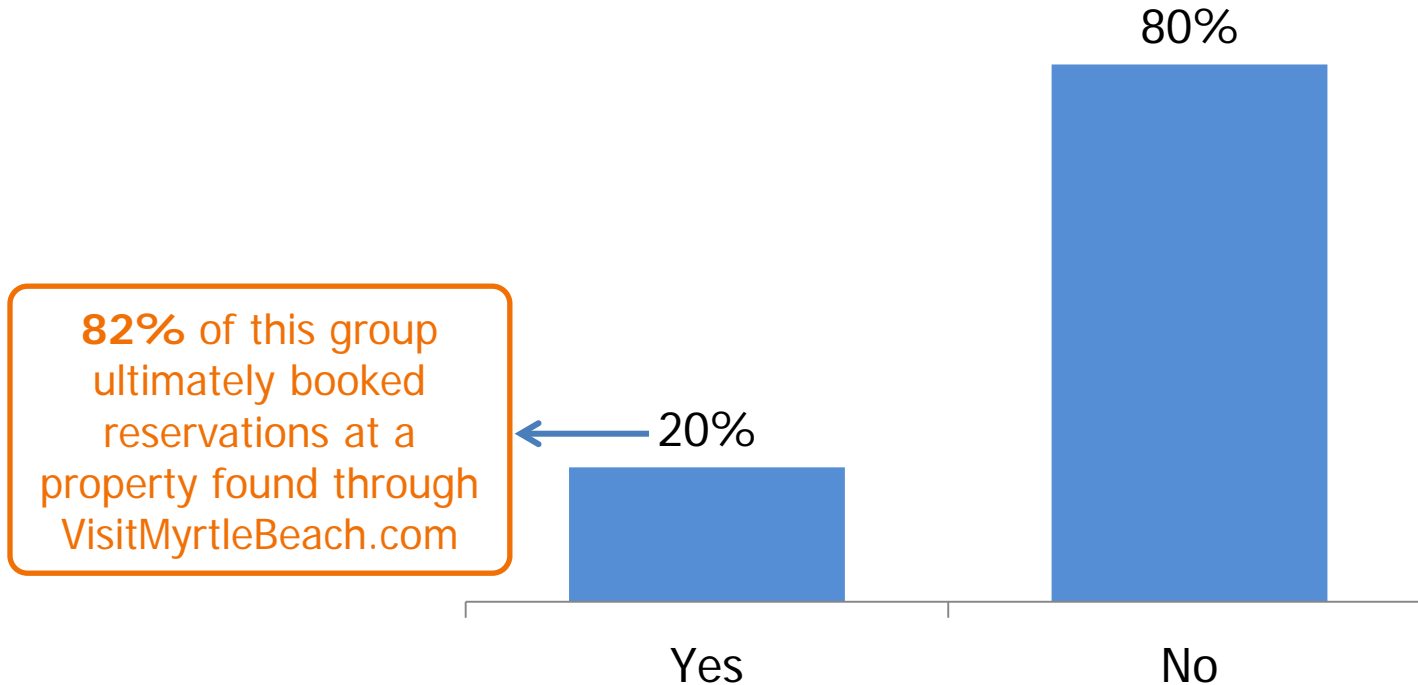
Advance Booking of Accommodations



Base: Stayed in paid accommodations (n=1400)

20% use VisitMyrtleBeach.com to locate and secure accommodations. Among those who use it, 82% ultimately book at a property they find through the site.

Use of VisitMyrtleBeach.com to locate and secure accommodations

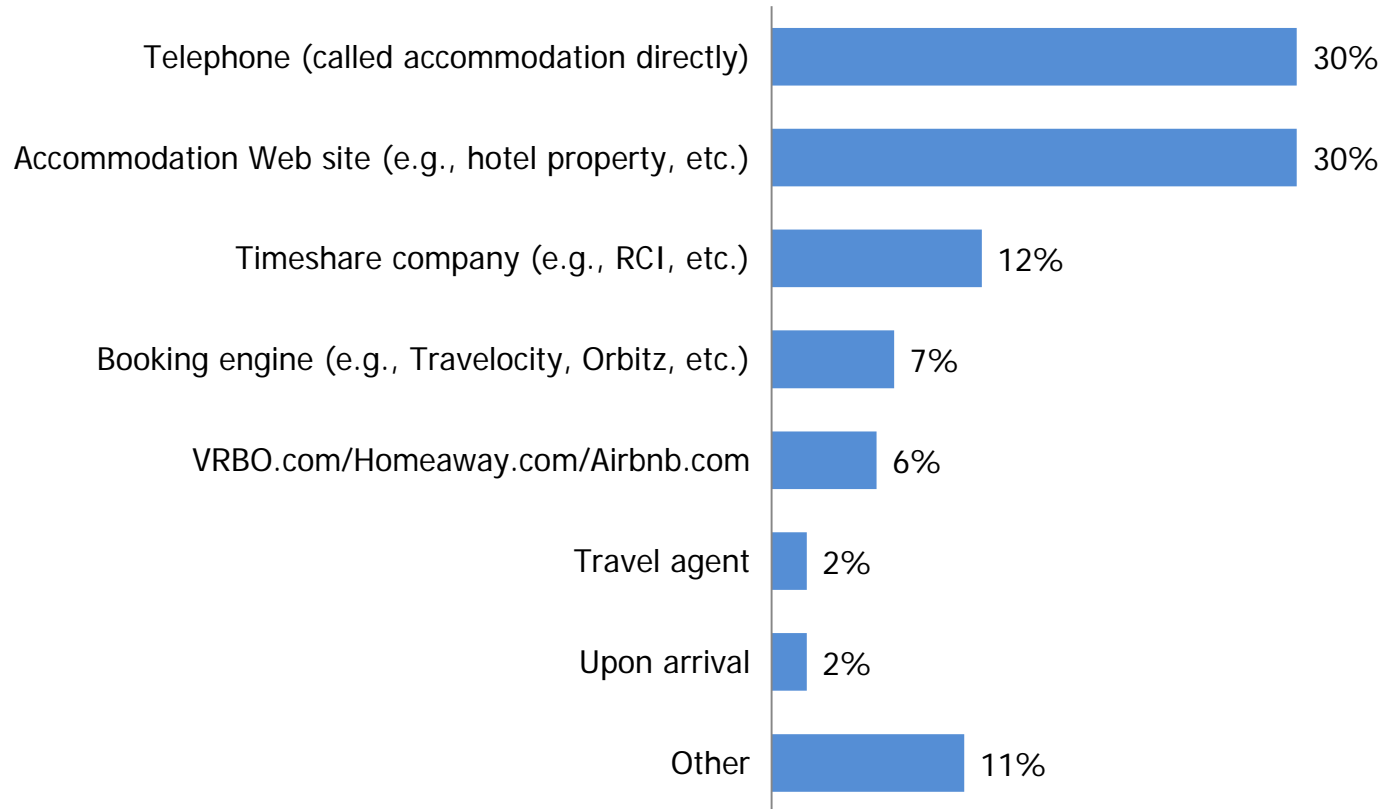


Base: Stayed in paid accommodations (n=1400)

Accommodations Patterns

Among those who stay in paid accommodations on their trip, 30% make reservations via the telephone, and 30% use the lodging's website.

Reservations Channel

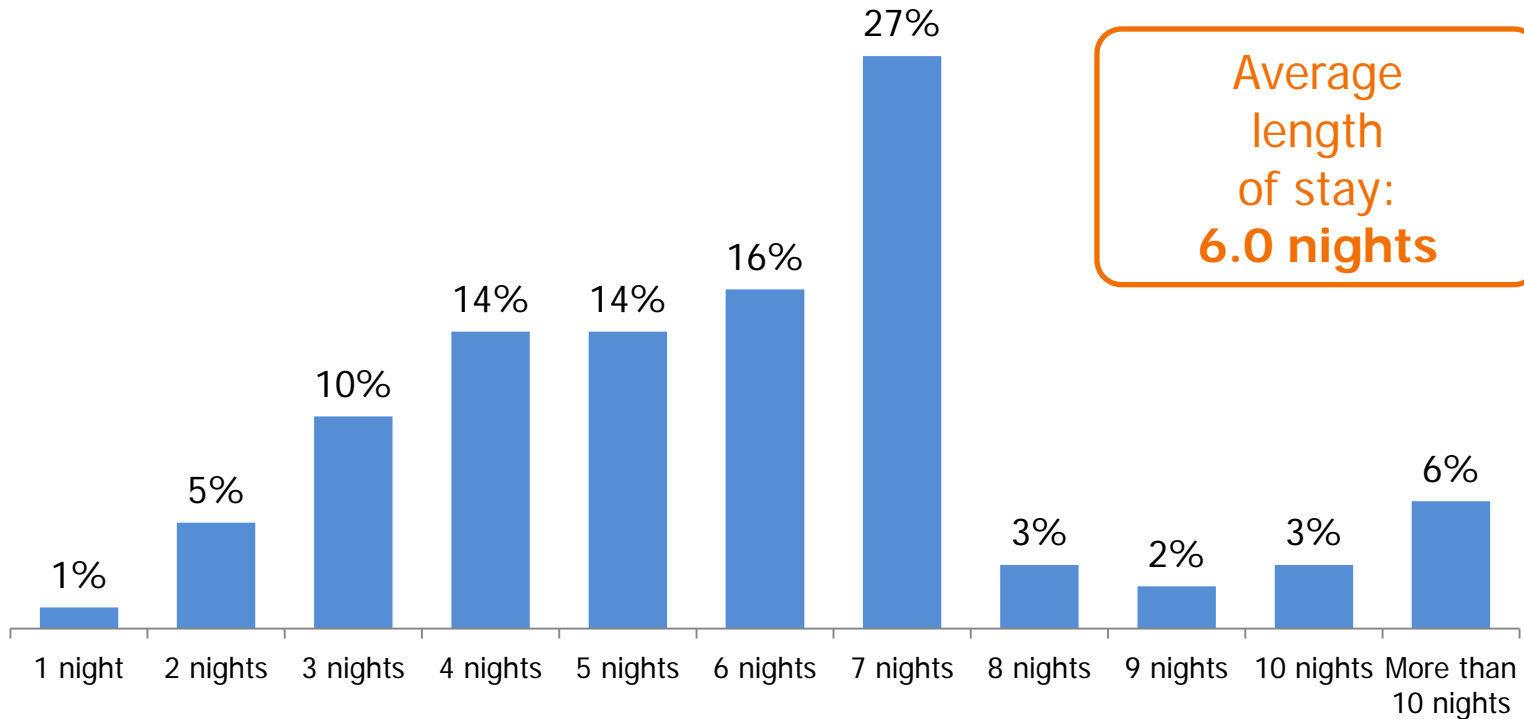


Base: Stayed in paid accommodations (n=1400)

Accommodations Patterns

27% of Converts say they stay in the Myrtle Beach area 7 nights (6 nights on average), regardless of whether they pay for their accommodations.

*Length of Trip
 (Paid and Unpaid Accommodations)*

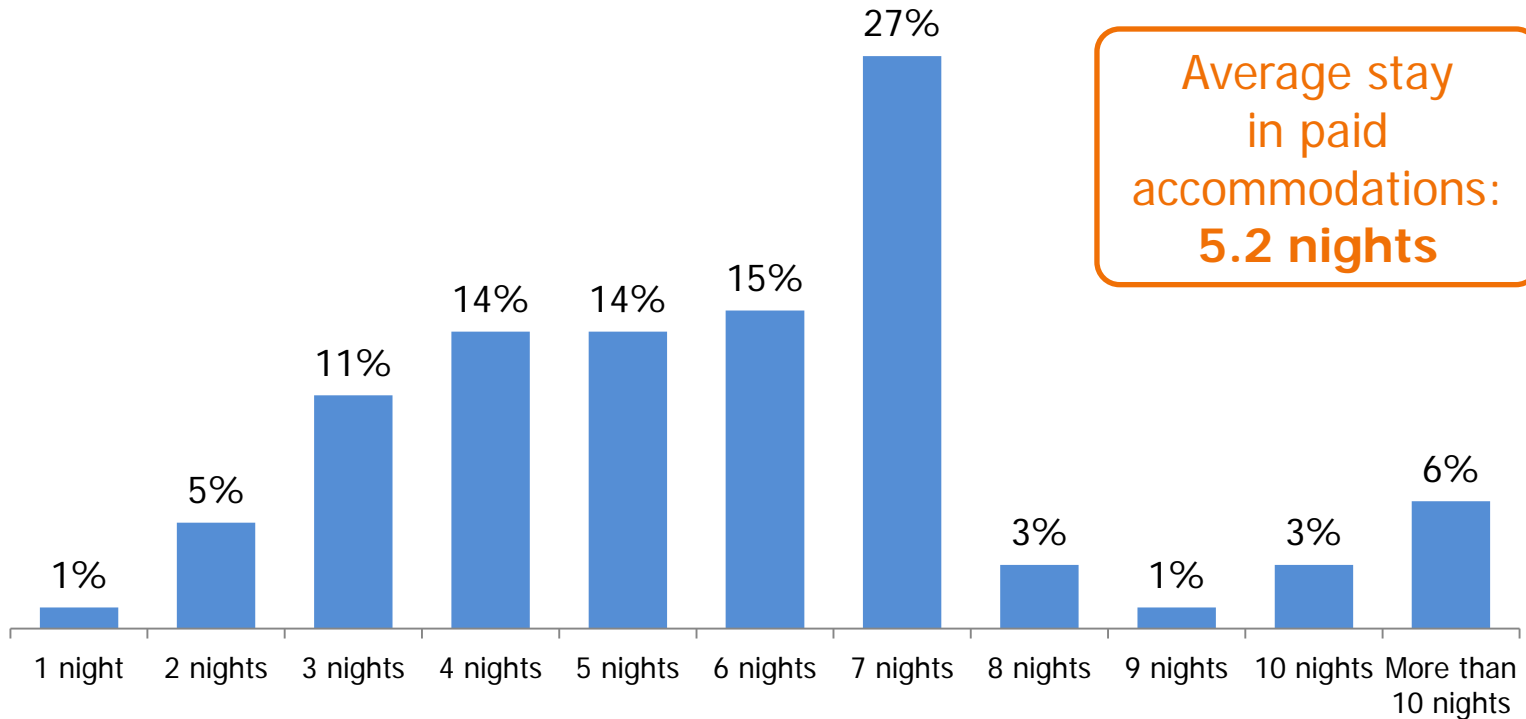


Base: Converts; visited Myrtle Beach In 2013 (n=1447)

Accommodations Patterns

The majority of Converts report staying in paid accommodations. As such, 7 nights is again the most common length of their trip to the Myrtle Beach area (27%, with an average stay of 5.2 nights).

*Length of Trip
(Paid Accommodations)*

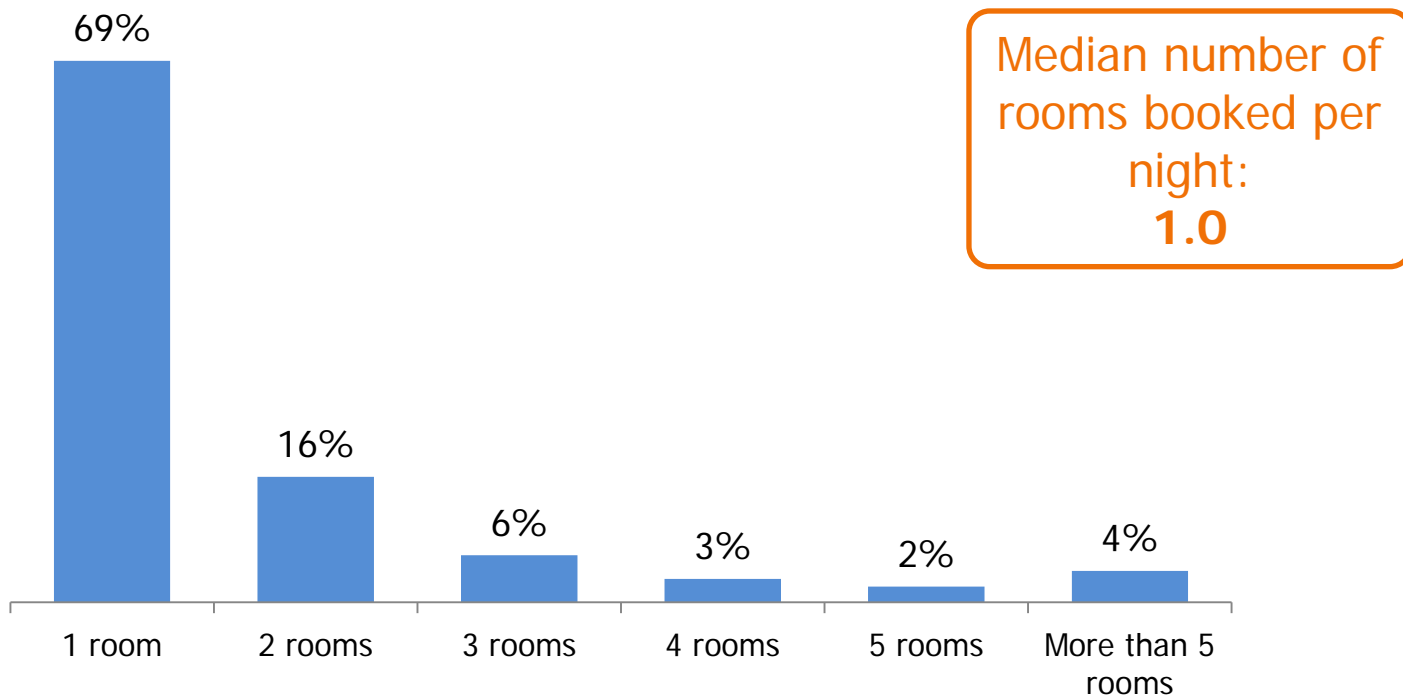


Base: Stayed in paid accommodations (n=1296)

Accommodations Patterns

Nearly 70% of visitors who stay in paid accommodations book 1 room per night.

Rooms Booked per Night



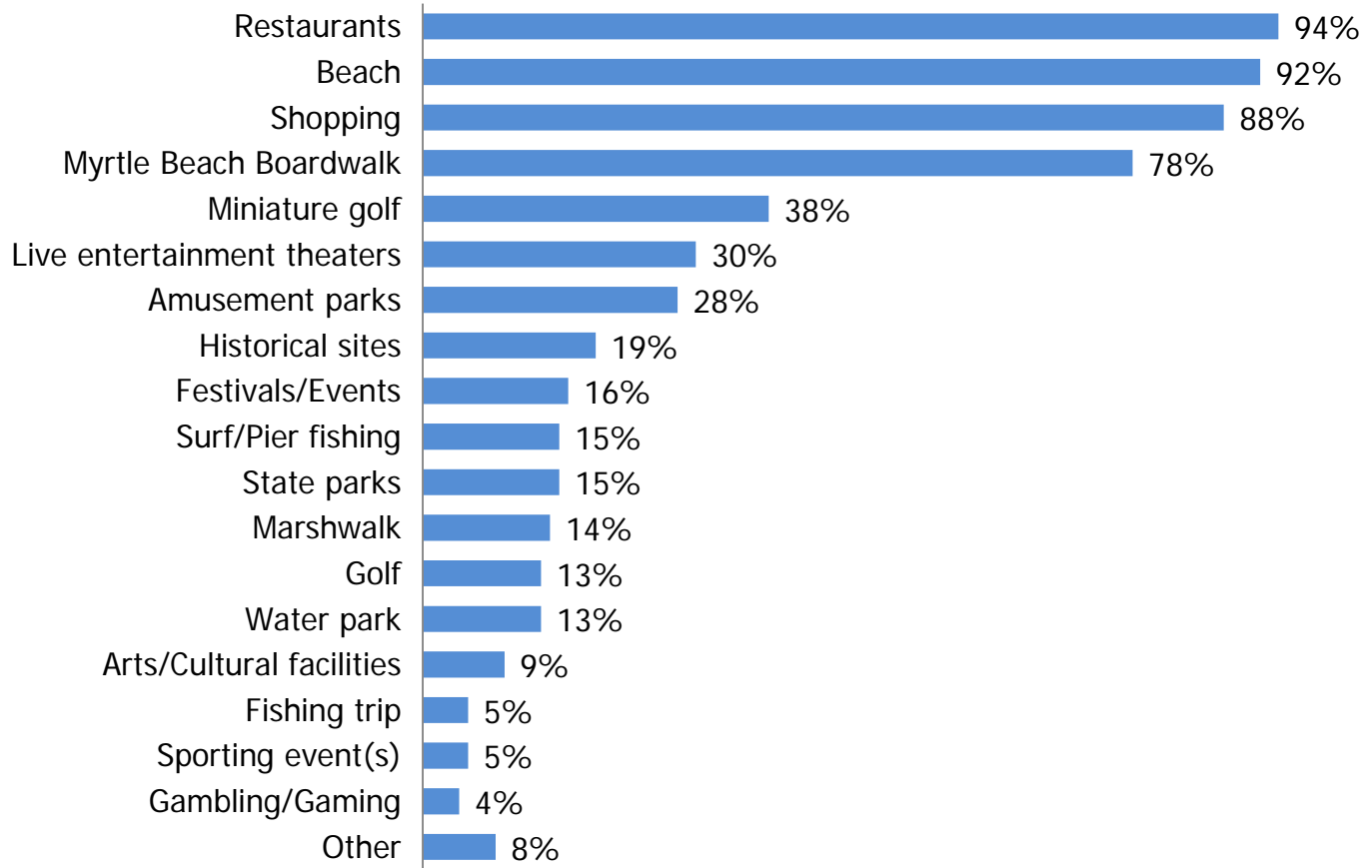
Base: Stayed in paid accommodations (n=1400)



Appendix II: Travel Patterns

Going to restaurants, the beach, and shopping are by far the most popular activities while in the Myrtle Beach area, followed by the Myrtle Beach Boardwalk.

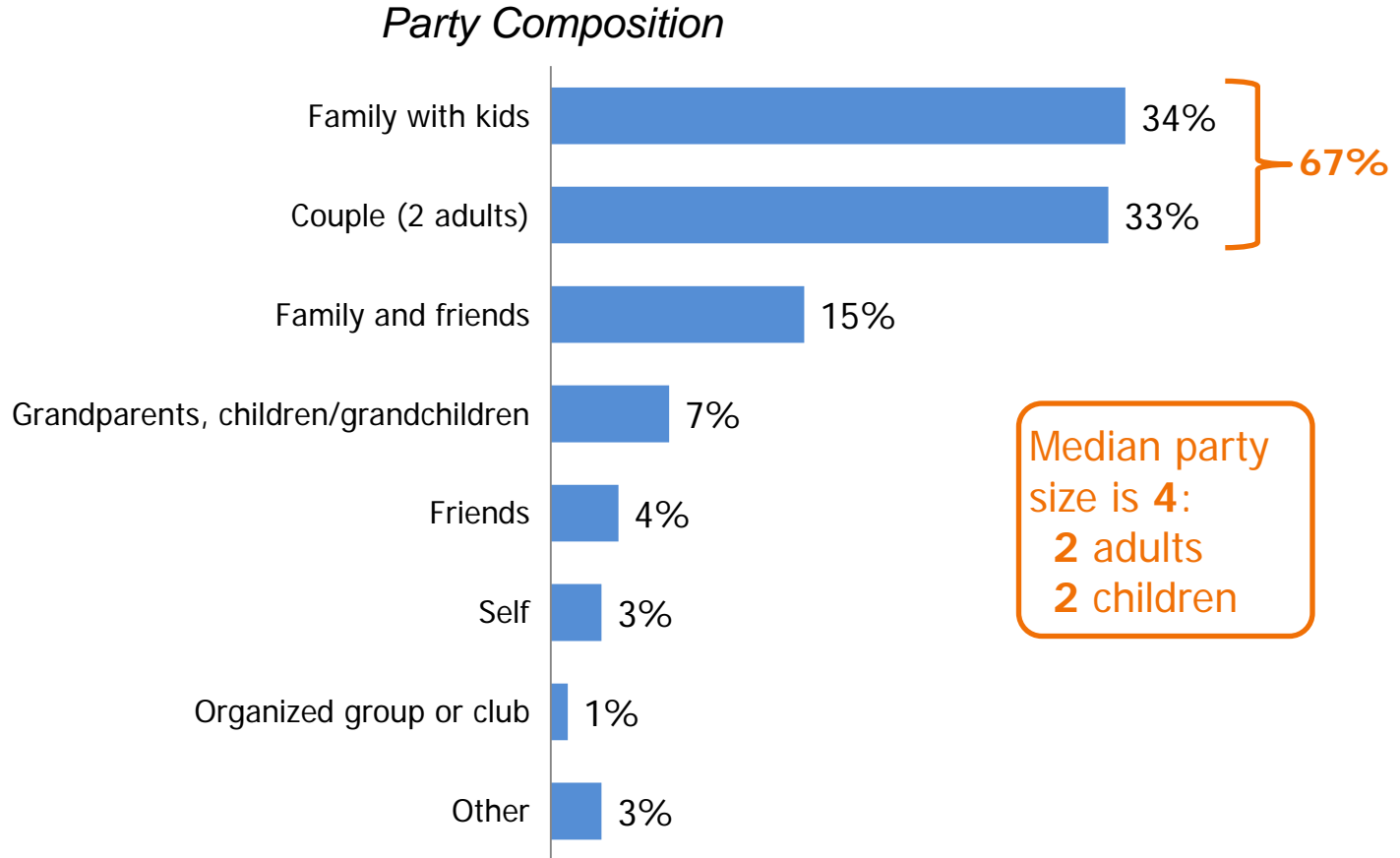
Activities Participated in at Myrtle Beach



Base: Converts; visited Myrtle Beach In 2013 (n=1447)

Travel Party Composition

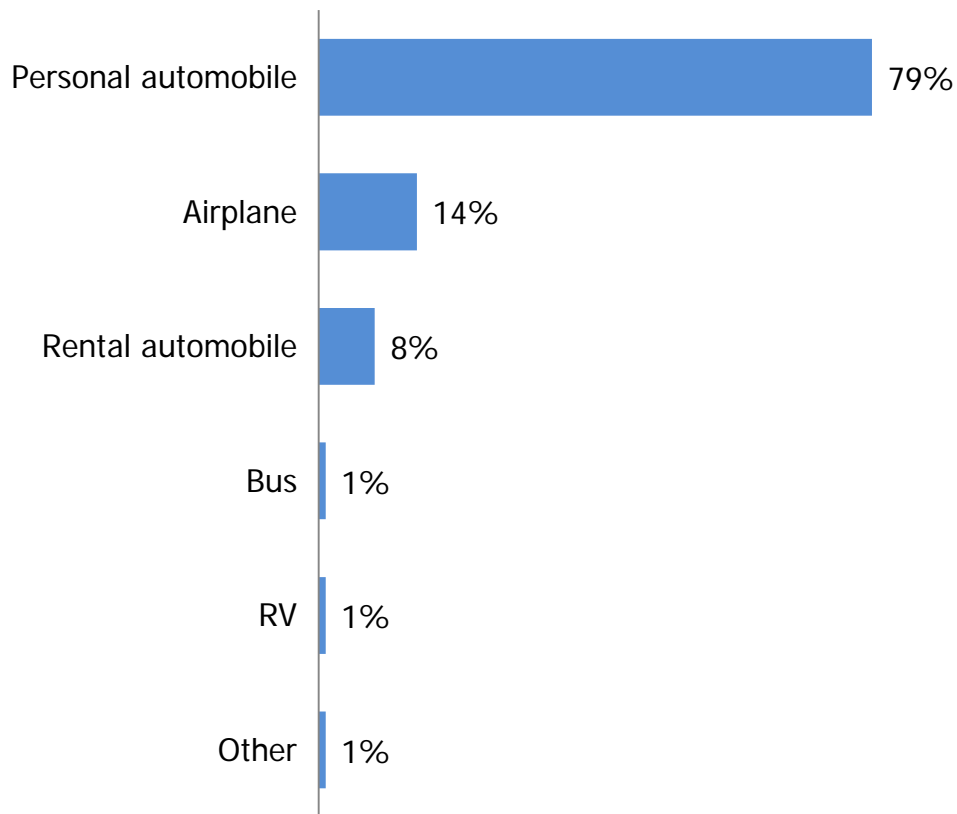
The majority of Myrtle Beach Converts travel in groups, with 67% traveling as a family with kids or as a couple.



Base: Converts; visited Myrtle Beach in 2013 (n=1447)

Nearly 80% of Converts arrive in the area via their own car, with air travel a distant second (14%).

Mode of Transportation

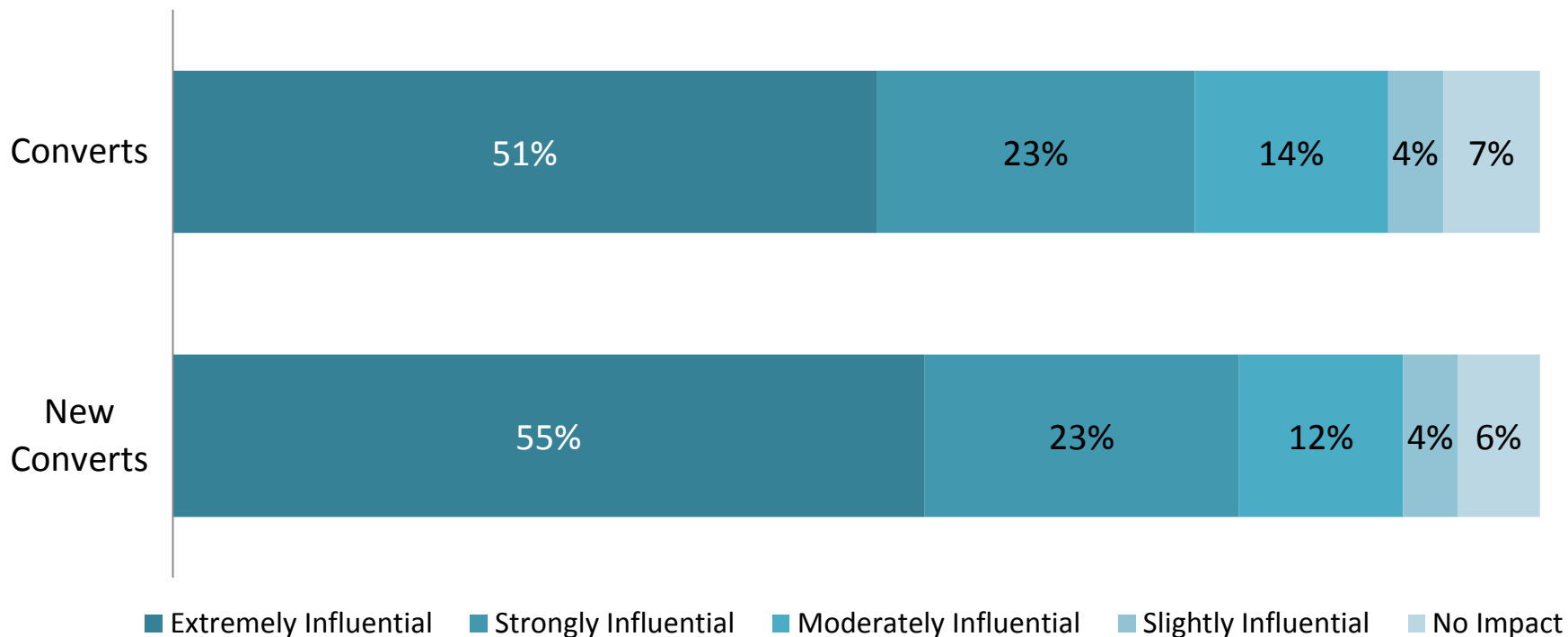


Base: Converts; visited Myrtle Beach In 2013 (n=1447)

Impact of Weather

Weather plays a major role in the decision to keep a vacation reservation for a weekend visit.

Impact of Weather

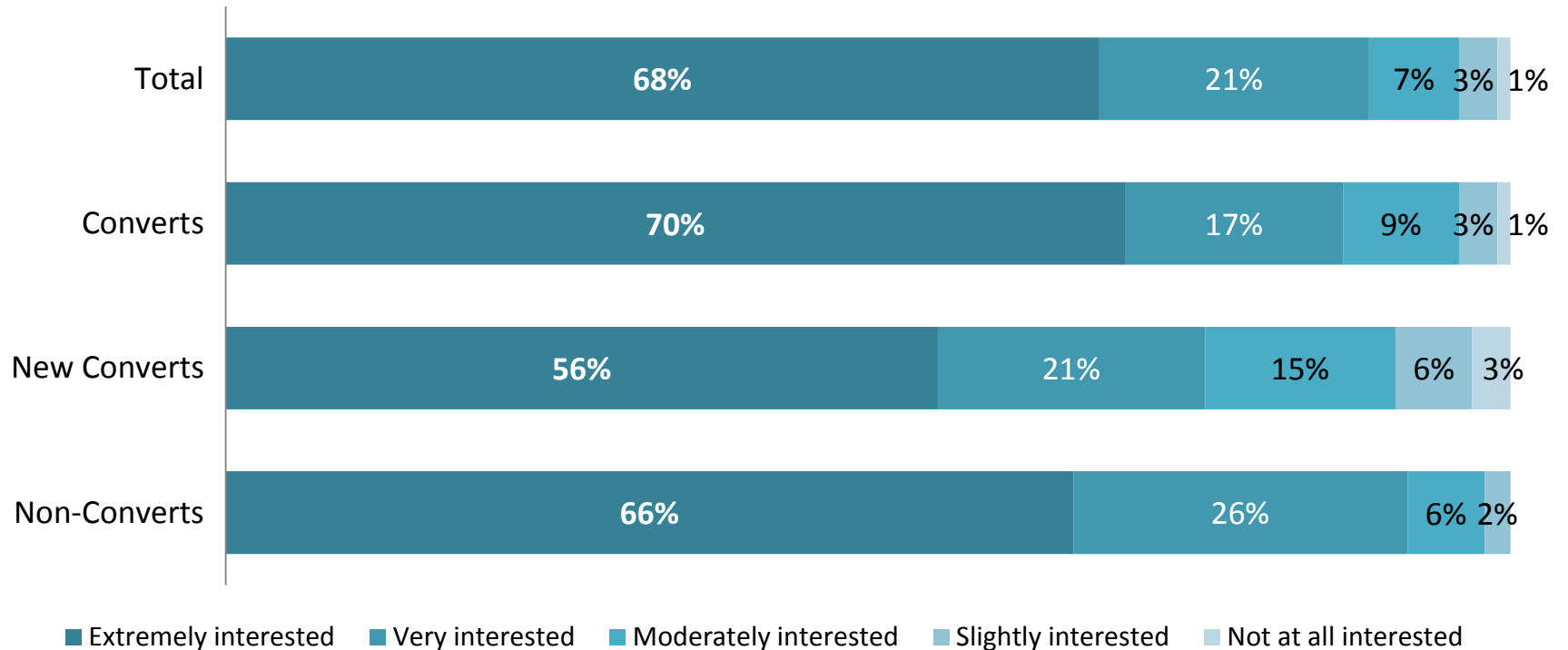


Base: Converts; visited Myrtle Beach in 2013 (n=1447)

Interest in Visiting

The area's high Net Promoter Score translates into significant repeat visitation – an indication that the 'lifetime value' of a Myrtle Beach visitor is considerable.

Interest in Visiting Myrtle Beach



Base: Took a vacation in 2013 (n=2538)

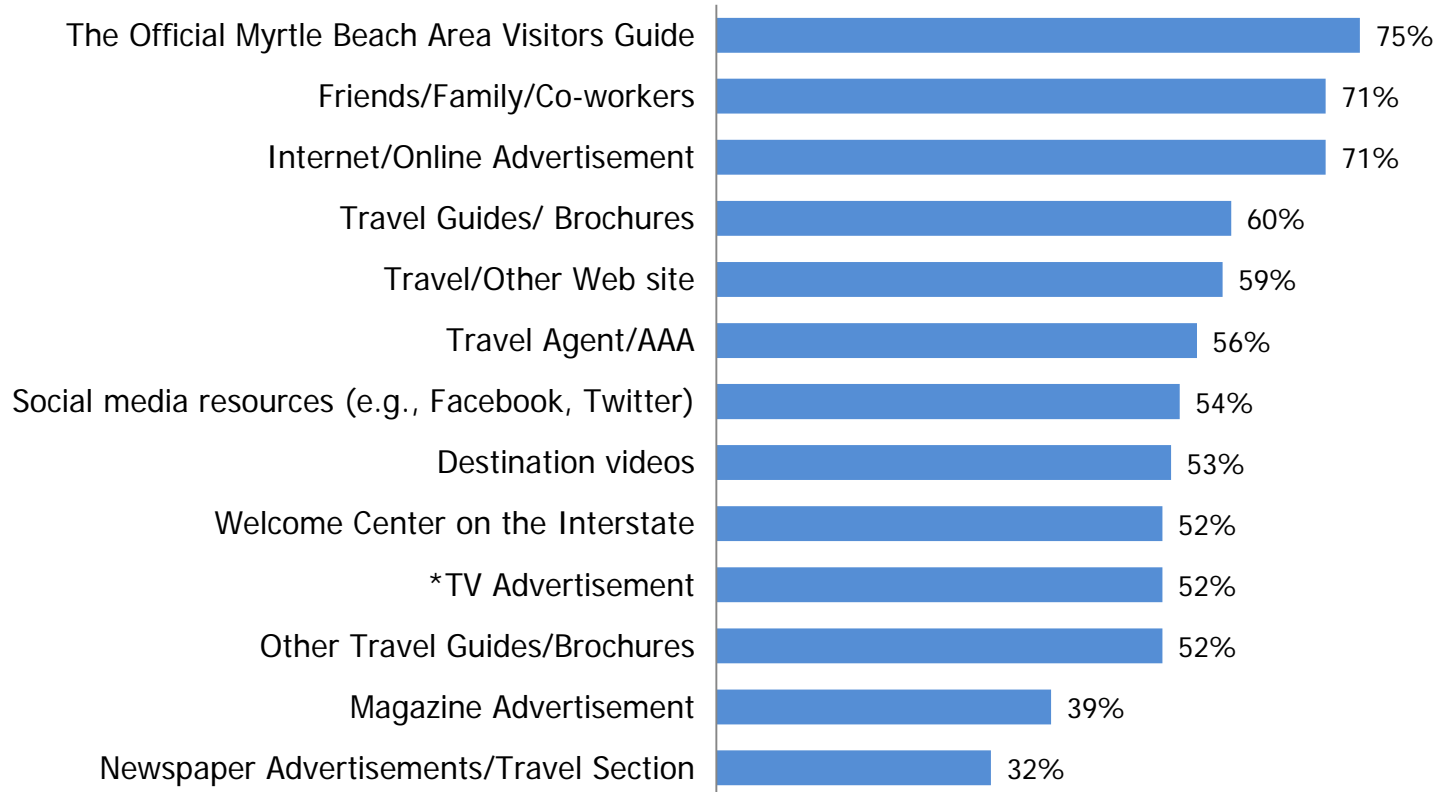


Appendix III: Information Sources & Planning

Information Source Usefulness

The Visitors Guide, Friends/Family/Co-workers, and the Internet are the most useful vacation planning information sources.

*Usefulness of Information Sources
 (Top-2-Box on a 0-10 Usefulness Scale)*



*Base: Inquirers; visited Myrtle Beach in 2013 varies by type of source used. Note: Radio base too low to show data. *TV Ad: caution low base.*